## Division of Consumer Affairs

## IN THE CHANCERY COURT FOR DAVIDSON COUNTY, TENNESSEE FOR THE TWENTIETH JUDICIAL DISTRICT AT NASHVILLE

STATE OF TENNESSEE, Petitioner,

v.

SECUREONE, INC., a Tennessee corporation,

Respondent

## **PETITION**

Paul G. Summers, Attorney General and Reporter for the State of Tennessee, ("Attorney General"), files this Petition pursuant to Tenn. Code Ann. § 47-18-107 of the Tennessee Consumer Protection Act of 1977 ("the Act"), and would respectfully show the Court as follows:

- 1. The Division of Consumer Affairs of the Tennessee Department of Commerce and Insurance ("the Division") and the Attorney General, acting pursuant to the Act, have investigated certain acts and practices of SecureOne, Inc. ("Respondent"). Upon completion of such investigation, the Division has determined that certain of Respondent's acts and practices constitute unfair and deceptive acts or practices affecting the conduct of trade or commerce in the State of Tennessee in violation of Tenn. Code Ann. § 47-18-104(a), and further that such acts and practices constitute violations of Tenn. Code Ann. § 47-18-104(a), (b)(27) and 47-18-120.
- 2. Based upon their investigation of Respondent, the Division and the Attorney General allege the following:
  - a. The Respondent is in the business of selling residential security or alarm systems in the middle Tennessee area.

- b. Respondent disseminated advertisements, including brochures and flyers, which offered security systems at "no cost", "no charge" or "free" without clearly and conspicuously disclosing monetary and other restrictions in the initial offer.
- c. Additionally, Respondent promoted a "free" security system to consumers responding to the offer "within 48 hours." In reality, there was no time limit on the offer.
- d. Respondent's coupons generally fail to make clear and conspicuous disclosures required by the prize, gift and award statute (Tenn. Code Ann. § 47-18-120).
- e. Respondent's conduct constitutes an unfair and deceptive act or practice.
- 3. Respondent denies the allegations of Paragraph 2 (b-e).
- 4. Upon completion of its investigation, the Division requested the Attorney General to negotiate, and if possible to accept, an Assurance of Voluntary Compliance in accordance with the provisions set forth in Tenn. Code Ann. § 47-18-107.
- 5. The Attorney General entered into negotiations with Respondent and the parties have agreed to, and the Division has approved, the attached Assurance of Voluntary Compliance.
- 6. In accordance with the provisions of Tenn. Code Ann. § 47-18-107(c), the execution, delivery and filing of the Assurance does not constitute an admission of prior violation of the Act.
- 7. The Division, the Attorney General, and the Respondent, the parties who are primarily interested in the matters set forth in Paragraph 2 hereof, have jointly agreed to the Assurance of Voluntary Compliance and join in its filing.

## PREMISES CONSIDERED, Petitioner prays:

- 1. That this Petition be filed without cost bond pursuant to the provisions of Tenn. Code Ann. §§ 20-13-101 and 47-18-116.
- 2. That the Assurance of Voluntary Compliance be approved and filed in accordance with the provisions of the Act.